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9 Attorneys for HSG/ATN, Inc.

10  
11 **IN THE UNITED STATES BANKRUPTCY COURT**  
12 **FOR THE SOUTHERN DISTRICT OF NEW YORK**  
13

14 In re:	Chapter 11
15 WORLDCOM, INC., et al.,	Case No.02-13533 (AJG)
16 Debtors.	<b>HSG/ATN, INC. S RESPONSE TO</b>
	<b>NOTICE OF REJECTION OF</b>
	<b>EXECUTORY CONTRACTS</b>

18  
19 HSG/ATN, Inc. ( HSG ), through its attorneys undersigned, hereby files this  
20 response to the Notice of Rejection of Executory Contracts dated January 3, 2003 (the Notice )  
21 and objects to the Notice as it seeks to reject a previously terminated contract. In support of this  
22 response, HSG submits the following:

- 23 1. HSG is a Puerto Rico corporation engaged in the business of procuring and  
24 servicing telephone and internet customers for long distance communication providers.
- 25 2. On February 4, 1998, HSG and WorldCom Technologies, Inc. ( WorldCom )
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1 entered into an agreement whereby WorldCom<sup>1</sup> appointed HSG as an authorized representative to  
2 market, sell and service products and services of WorldCom's affiliate TTI National (TTI ).

3 3. Under the terms of this agreement, WorldCom paid HSG commissions based  
4 upon the monthly usage of the TTI services by the customers procured by HSG (the Customers ).

5 4. The agreement was amended on five separate occasions. The agreement, as  
6 amended, is referred to as the Representation Agreement .

7 5. Pursuant to its terms, the Representation Agreement was terminated on or  
8 about August 6, 2002. Consequently, the Representation Agreement was not subject to rejection  
9 pursuant to 11 U.S.C. §365(a), and HSG objects to the Notice on this basis.

10 6. Following this termination of the Representation Agreement, HSG continued  
11 to service the Customers until December, 2002.

12 7. The Debtors have paid HSG for commissions earned in July, August and  
13 September 2002, but none thereafter.

14 8. The Representation Agreement obligates WorldCom to continue to pay  
15 commissions to HSG for the telephone and internet usage by the Customers, provided HSG refrains  
16 from soliciting the Customers.

17 For the reason that it seeks to reject a terminated contract, HSG requests that  
18 the Notice be denied as to HSG.

19 **DATED** this 21<sup>st</sup> day of January, 2003.

20  
21 **ENGELMAN BERGER, P.C.**  
22 Attorneys for HSG/ATN, Inc

23 By S/  
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27 <sup>1</sup> WorldCom additionally refers to MCI WorldCom Communications, Inc., the party to the sixth and final amendment with HSG.

RICHARD L. KORAL, ESQ.  
Local Counsel for HSG/ATN, Inc.

S/  
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TO:

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CERTIFICATION OF SERVICE BY MAIL

Richard L. Koral d Richard L. Koral declares under the penalty of perjury that on January 21, 2003, he  
withinwithin Response to Notice of Rejection of Executory Contracts by mailing a true copy thereof to the  
following persons by first class mail:

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Executed on January 21, 2003

S/  
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